§ 1207-k. Purchase, financing and lease of cars and rolling stock by city. 1. Notwithstanding the provisions of any other law, the city may purchase from the authority, by negotiation and without competitive bidding, from time to time, all or any part of the cars acquired by the authority pursuant to section twelve hundred seven-a of this title, and to pay therefor such price or prices as shall be agreed upon by the city and the authority provided, however, that such funds paid to the authority by the city shall be used only for the reimbursement of principal and interest on the bonds and notes issued by the authority to finance the cost of such cars.

2. Serial bonds and notes may be issued by the city, pursuant to the local finance law, to finance the cost of all cars purchased from the authority pursuant to subdivision one of this section. The maximum period of probable usefulness of such object or purpose is hereby determined to be twenty-five years.

3. All cars purchased by the city from the authority pursuant to subdivision one of this section may be leased by the city to the authority under the then existing agreement of lease.